



CIRCULAR

STATE OF NEW JERSEY

DEPARTMENT OF THE TREASURY

NO.: 02-07-RT	ORIGINATING AGENCY: TREASURY DIVISIONS OF REVENUE AND TAXATION	PAGE: 1
EFFECTIVE: DATE: IMMEDIATE	EXPIRATION DATE: INDEFINITE	SUPERSEDES: NONE
SUBJECT: PROOF OF REGISTRATION REQUIREMENTS FOR CONTRACTORS AND SUB-CONTRACTORS PROVIDING GOODS AND SERVICES TO STATE GOVERNMENT AGENCIES AND AUTHORITIES		
ATTENTION: DIRECTORS OF ADMINISTRATION, CHIEF FISCAL OFFICERS AND PROCUREMENT MANAGERS OF ALL EXECUTIVE DEPARTMENTS, AGENCIES AND AUTHORITIES		
FOR INFORMATION CONTACT: ROBERT J. BENCO JR., CHIEF, CLIENT REGISTRATION BUREAU, DIVISION OF REVENUE PHONE: (609) 292-7077		

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1.0 Introduction

Public Law 2001, Chapter 134 requires all contractors and subcontractors providing goods/services to State agencies and authorities to provide the contracting agency or authority with proof of registration with the Department of the Treasury, Division of Revenue. The law became effective September 1, 2001.

Chapter 134 prohibits contracting by any State agency or authority unless the proposed contractor or subcontractor first provide proof of valid business registration. For purposes of the law, the words “contractor” and “sub-contractor” mean any person or business providing goods and/or services to a State agency or authority.

Contracting State agencies and authorities are responsible for obtaining and maintaining proof of registration from proposed contractors and sub-contractors prior to initiating or renewing any engagement involving the expenditure of public funds.

The Division of Revenue's Client Registration Bureau provides proof of registration certificates to all registrants. Business Registration Certificates (BRC) list basic business identification information and unique registration sequence numbers that can be verified by the Client Registration Bureau. (See Attachment A to view a sample BRC)

The Division of Taxation is responsible for enforcing the law and making overall policy decisions regarding subjectivity and audit processes.

2.0 Procedure

2.1 Obtain BRC

Prior to initiating or renewing any contractual engagement involving the expenditure of public funds, a BRC must be obtained from the proposed contractor. If the proposed contractor intends to employ sub-contractors, the contractor must provide a BRC from all proposed sub-contractors.

2.2 Have Unregistered Businesses Register with the Division of Revenue

If you discover that your proposed contractors or sub-contractors are not registered, direct them to the Division of Revenue's filing service. The basic registration process involves the filing of Form NJ-REG, which can be filed online at www.state.nj.us/njbgs/services.html (To Register a Business for Tax and Employer Purposes choose “On-Line Services, “One-Stop Business Filing and Registration”). Alternately, prospective registrants may download the paper form by accessing www.state.nj.us/treasury/revenue/revprnt.htm (NJ-REG with Instructions).

The basic registration process covers all types of contractors and subcontractors. However, in certain cases, the Division of Revenue offers an alternate registration form for individuals who provide goods and services.

Note: If the proposed contractor or subcontractor is a legal business entity, such as a corporation or limited liability company, they may be subject to other statutory filing requirements beyond the scope of Chapter 134. If there are any questions in this area, have the proposed contractor or subcontractor review the instructions provided with the NJ-REG form for further guidance.

2.3 Retain BRC for Audit Purposes

Maintain the BRC, for both the contractors and, if applicable, subcontractors, for a minimum of three (3) years following the termination of your contractual relationship with the contractor.

3.0 Alternate Registration Form for Individuals

Individuals who have no business tax or employer obligations with the State of New Jersey may satisfy the requirements of Chapter 134 by submitting an abbreviated registration form (NJ-REG-A) to the Division of Revenue. Examples of proposed contractors and sub-contractors who may fall within this category include sole proprietors, attorneys, consultants, and arbitrators.

Registrants who use the abbreviated form must certify they have no business tax or employer obligations with the State of New Jersey, and that any income derived from business activities with the State of New Jersey will be reported on their personal income tax return. (See Attachment B for example of the form.)

4.0 Exemptions/Non-Applicability

The following are not subject to the proof of registration requirement under Chapter 134:

4.1 Other Governmental Agencies

Other governmental agencies, such as counties, municipalities and school boards, that provide services to, or that receive grants or reimbursements from State agencies or authorities, are not subject to Chapter 134.

4.2 Non Profit Corporations or Associations That Do Not Provide Goods/Services

Non-profit corporations and associations that receive grants, donations and reimbursements from a State agency or authority, and who do not provide goods or services to the agencies and authorities, are not subject to Chapter 134. However, non-profit corporations and associations that receive payment from a State agency or authority for providing goods or services are subject to Chapter 134 and are required to register with the Division of Revenue.

4.3 Out -of- state Contractors/Sub-Contractors Providing Goods/Services to New Jersey State Facilities

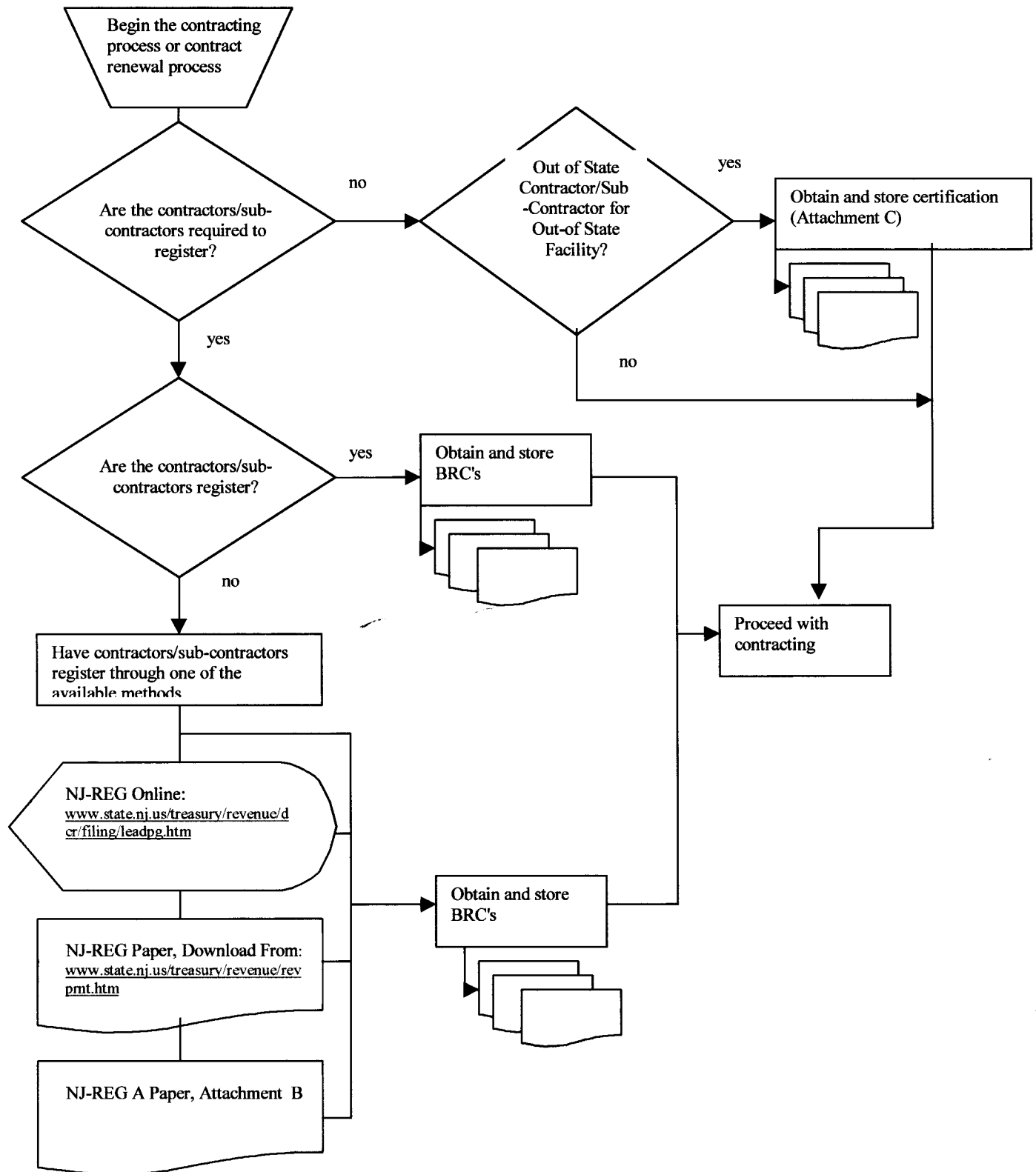
Contractors/sub-contractors who are not doing business in this State may from time to time contract with the State of New Jersey to provide goods and services to State facilities located outside of New Jersey. Such contractors/sub-contractors are exempt from Chapter 134. However, the contracting State agency or authority must obtain certifications from all proposed out-of-state contractors/sub-contractors affirming that they (the proposed contractors/sub-contractors) will comply with Chapter 134 should they do business in the State of New Jersey in the future. (See Attachment C for example of certification.)



Patricia A. Chiacchio

Director

5.0 Procedural Flow for Chapter 134



ATTACHMENT A
EXAMPLE OF BUSINESS REGISTRATION CERTIFICATE

ATTACHMENT A (FOR EXAMPLE PURPOSES ONLY!)

STATE OF NEW JERSEY BUSINESS REGISTRATION CERTIFICATE FOR STATE AGENCY AND CASINO SERVICE CONTRACTORS		DEPARTMENT OF TREASURY/ DIVISION OF REVENUE PO BOX 212 TRENTON, N.J. 08646-0252
TAXPAYER NAME: TAX REGISTRATION TEST ACCOUNT	TRADE NAME: CLIENT REGISTRATION	
TAXPAYER IDENTIFICATION# 970-097-382/500	CONTRACTOR CERTIFICATION# 0107330	
ADDRESS 847 ROEBLING AVE TRENTON NJ 08611	ISSUANCE DATE: 11/27/01	
EFFECTIVE DATE: 01/01/01	<i>Patricia A. Chiacchis</i> Director, Division of Revenue	
FORM-BRC(08-01)	This Certificate is NOT assignable or transferable. It must be conspicuously displayed at above address.	

ATTACHMENT B
FORM NJ-REG-A

Certification and Registration for Individuals Contracting With State Agencies

(P.L. 2001, Ch. 134)

Instructions: P.L. 2001, Ch.134 requires all contractors and subcontractors with State Agencies to provide proof of registration with the Department of Treasury, Division of Revenue. You may use this form to comply with the law if you are an individual with no business tax or employer obligations with the State of New Jersey and are not yet registered. Fill out the registration section and certification below and send the completed form to:

NJ Division of Revenue
Client Registration Bureau
PO Box 252
Trenton, NJ 08646-0252

Please note that the registrant's name listed in Section A must be the same as shown in the Certification, Section B. Type, machine print or hand print all information, except your signature.

If you have or will have business tax or employer obligations, file form NJ-REG. Call (609) 292-1730 for more information.

SECTION A, REGISTRATION DETAIL FOR STATE CONTRACTOR OR SUBCONTRACTOR	
Social Security Number	
Registrant's Name	
Mailing Address	
County	
City	
State	
Zip	
Contact Information	
Telephone Number	
E-mail Address	

SECTION B, CERTIFICATION OF STATE CONTRACTOR OR SUBCONTRACTOR

I _____ hereby certify that I am an individual having no business tax or employer obligations with the State of New Jersey. Further, I certify that any income that I derive from business activities with the State of New Jersey will be reported on my personal income tax return.

I understand that pursuant to State law, if I knowingly report inaccurate or misleading information, I may be subject to penalties.

Signed: _____
Signature

Date: _____

ATTACHMENT C
OUT OF STATE CONTRACTORS DOING BUSINESS WITH OUT OF STATE NJ
OFFICES

ATTACHMENT C

Re: Out-of-State Contractor Doing Business Only With Out-of State New Jersey Offices

Dear Taxpayer:

Pursuant to P.L., 2001, Chapter 134, a contractor providing goods and/or services for and with a contracting New Jersey State agency is required to provide such agency with proof of valid business registration with the Division of Revenue within the Department of the Treasury.

However, it has come to our attention that some out-of-state contractors who are not doing business in New Jersey may from time to time contract with the State of New Jersey to provide goods and services to New Jersey State facilities located outside of New Jersey. Since those contractors do not provide goods or services in-state, they are not required to register with the Division of Revenue unless goods or services are or will be provided to any agency within the State of New Jersey.

If you have any questions, please feel free to contact us at 609-292-1730.

Sincerely,

Patricia A. Chiacchio

I certify that this business does not provide goods or services in-state, and this business is not required to register with the Division of Revenue.

Name of Business: _____

Signature

FEIN: _____

Date: _____